

FISCAL IMPACT STATEMENT ON BILL NO. **S.1131**

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TO:	The Honorable David Thomas, Chairman, Senate Banking and Insurance Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Kenneth Brown		
DATE:	March 11, 2008	SBD:	2008126

AUTHOR:	Senator Thomas	PRIMARY CODE CITE:	38-43-20
SUBJECT:	Biennial Insurance Licenses		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

BILL SUMMARY:

The Bill would clarify licensure language pertaining to an employee of a licensed producer and agencies, nonresident producer's license, defines "Biennial Appointment Fee", establishes a biennial renewal fee of ten dollars and makes numerous other changes to Title 38.

EXPLANATION OF IMPACT:

The Department of Insurance reports this Bill would require additional recurring Other Funds expenditures totaling \$184,695 which would cover computer programming maintenance costs associated with the implementation of biennial license renewal. One-time non-recurring expenditures of \$738,778 would cover costs related to modification of the computer database to handle renewals by birthdates, allow for online applications and integration of WEB services provided by the National Association of Insurance Commissioners (NAIC). Other funds revenue generated through biennial fees are projected to be sufficient to cover these other funds expenditures.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

The Board of Economic Advisors is the appropriate entity to address any revenue impact associated with this Bill.

Approved by:



Harry Bell
Assistant Director, Office of State Budget